

WS-03478A-12-0307

ORIGINAL

ARIZONA CORPORATION COMMIS



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UTILITY COMPLAINT FORM RECEIVED

Investigator: Deb Reagan

Phone:

2013 JAN -9 P 12: 20

Fax:

Priority: Respond Within Five Days

Opinion No. 2013 - 107730

Date: 1/9/2013

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Arizona Corporation Commission

Complaint By: PETITION

PETITION

DOCKETED

Account Name: PETITION PETITION

Home: JAN 8 9 2013

Street: N/A

Work:

City: Yuma

CBR:

State: AZ Zip: 85367

is:

Utility Company: Far West Water & Sewer, Inc.

Division: Water

Contact Name: Roxanne Fiddes

Contact Phone:

Nature of Complaint:

*****PETITION***** Letters sent in by 9 consumers all OPPOSED*****

Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

RE: Far West Docket # WS-03478A-12-0307

To Whom It May Concern:

We are writing to you as concerned property owners. We recently received notification regarding a proposed price increase of 188%. This increase is not only excessive, but far above and beyond any acceptable increase due to operating expenses incurred due to annual inflation. It is disturbing that Far West find it necessary to inflict such a steep increase when they do not participate in the standard practice of charging tap fees which fund the expansion capital for the majority of utility companies throughout the country.

Considering that a large percent of Far West's clientele is comprised of part-time residents who spend an average of 4 months each year using the current sewer system, Far West appears to be attempting to gain expansion capital for service not rendered. Under close examination, the proposed increase will cost the average part-time resident an average of \$187.90 per month of use while inhabiting their residence.

Current Fee: \$21.75
188% increase: \$62.65
Increased rate per year: \$751.80
Average for a 4 month resident: \$187.95

It is not unexpected to incur small increases in service fees, such as 10-15%, on occasion.
It is also expected that a fee for the administrative cost of maintaining service during

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UTILITY COMPLAINT FORM

months of disuse. However, an increase of 188% exceeds simply "excessive".

It would be in the best interest of ACC to advise Far West to consider the implementation of standard tap-fee s as employed by similar utility companies. This would serve Far West's need to build expansion capital for future expansion of their utilities, and still serve their current clients at reasonable rates.

Signed by:

- 1 - LaVar and Myalene Powell
- 2 - Judith and Patrick Hamilton
- 3 - N. L. Milner
- 4 - Debbie Gardine and Roxanne Walker
- 5 - Marilyn Arnoldi and Lein Arnoldi
- 6 - Eddie and Elaine Hunter
- 7 - Ed and Barbara Lampe
- 8 - Elinor and Donald Kennedy
- 9 - Juan and Rosalia Vizcarra
- *End of Complaint*

Utilities' Response:

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Investigator's Comments and Disposition:

Comments entered for the record and filed with Docket Control.

End of Comments

Date Completed: 1/9/2013

Opinion No. 2013 - 107730

WS-03478A-12-0307

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Deb Reagan

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2013 - 107732

Date: 1/9/2013

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: **PETITION**

PETITION

Account Name: PETITION PETITION

Home:

Street: N/A

Work:

City: Yuma

CBR:

State: AZ Zip: 85367

is:

Utility Company: **Far West Water & Sewer, Inc.**

Division: Water

Contact Name: Roxanne Fiddes

Contact Phone: (

Nature of Complaint:

*****PETITION*****Letters sent in by 3 consumers all OPPOSED*****

December 27, 2012

Arizona Corporation Commission, Consumer Services Section
1200 West Washington St.
Phoenix Arizona 85007

TO WHOM IT MAY CONCERN,

RE: DOCKET NO. WS-03478a-12-0307
FAR WEST WATER & SEWER, INC.

We are home owners in the Foothills of Yuma, Arizona. We wish to register our very strongest objections to the proposed wastewater increase by Far West Water and Sewer, Inc. In the filing of Docket No. WS-03478A-12-0307 Far West Water and Sewer, Inc. has filed for a residential wastewater increase from \$21.75 to \$62.65 per month, or 188.05% increase.

We request that the Arizona Corporation Commission decline this request by Far West and do not allow this 188.05% increase to pass.

The Foothills area of Yuma, Arizona is a community made up largely of retired senior citizens living in small homes, modular homes, park model units and recreational vehicles. An increase of this amount would present an enormous hardship on this entire population who are already struggling with fixed and declining incomes late in life. It would dramatically impact the ability of most of this population to remain in their homes and even in this

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UTILITY COMPLAINT FORM

area. Given the size of this increase, the possible resulting departure of this population from the Foothills of Yuma would in no small way impact both the City of Yuma and the County given the tax base they represent.

Please use the powers given you to protect the small home owner and refuse this request.

Thank you for taking the time to register our objection to the proposed 188.05% increase.

Yours sincerely,

1 - Derek and Jeannette Scisson

2 - George Winacott

3 - Orville and Sharon Elmer

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Comments entered for the record and filed with Docket Control.

End of Comments

Date Completed: 1/9/2013

Opinion No. 2013 - 107732

WS-03478A-12-0307

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Deb Reagan

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2013 - 107735

Date: 1/9/2013

Complaint Description: 08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

Complaint By: **Tina**

Milner

Account Name: Tina Milner

Home: (

Street:

Work:

City: Yuma

CBR:

State: AZ Zip: 85367

is:

Utility Company. **Far West Water & Sewer, Inc.**

Division: Water

Contact Name: Roxanne Fiddes

Contact Phone: (

Nature of Complaint:

***** WS-03478A-12-0307 *****

Customer sent the following -

Dec.26, 2012

Arizona Corporation Commission
Consumer services Section
1200 West Washington
Phoenix, Az 85007

Re: Docket No. WS-03478A-12-0307

With reference to the proposed rate increase, as a Tax payer, we need to understand an application for such an exorbitant percentage increase. Is there not an acceptable percentage over time that the Commission would decree?

It has come to our attention that while the system has worked efficiently for the original households, it is being taxed beyond its capacity as each new development is added to the system. It would seem to us that the cost of expanding the system should be factored into the sale of the Lots in each new development, and the price of these Lots would indicate that it has been so.

The Foothills area is approximately 70%+ seasonal residents, could anyone explain to us why meetings of this importance are scheduled for a time when the majority of the population is not in residence?

When the Foothills were developed, all costs were calculated with seasonal residency factored in. Sewer charges for this area have already gone from; for usage only - to year round charges, thereby doubling or tripling the amount of revenue for the company to operate. (E.g.: when we purchased these properties, we only paid

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sewer for the time we were in residence, when you turned the water off for the season- the sewer was "turned off, then the company started to charge for the sewer 12 months of the year) Anyone can understand a reasonable increase over time. Where many Companies are tightening their belts and dropping their rates, this company does not appear to understand that the majority of their customers are struggling through a Recession and are unable to work this into their budget.

Is it fiscally responsible to continually inject more money into a Company that does not appear to be solvent? Has it been considered: that if the present owner(s) is incapable of managing the system within their means, then possibly a Government body could be instituted to manage it more efficiently and in fairness to the rate payers?

Without Prejudice.

Tina Milneir
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Comments entered for the record and filed with Docket Control.
End of Comments

Date Completed: 1/9/2013

Opinion No. 2013 - 107735

WS-03478A-12-0307

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Deb Reagan

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2013 - 107736

Date: 1/9/2013

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: **Walt and Phyllis** **Patroske**

Account Name: Walt and Phyllis Patroske

Home:

Street:

Work:

City: Yuma

CBR:

State: AZ Zip: 85367

is:

Utility Company. **Far West Water & Sewer, Inc.**

Division: Water

Contact Name: Roxanne Fiddes

Contact Phone:

Nature of Complaint:

***** WS-03478A-12-0307 *****

Customer sent the following -

January 5, 2013

Arizona Corporation Commission
Customer Services Section
1200 West Washington
Phoenix, Arizona 85007

RE: Docket No. WS-03478A-12-0307

Dear Sirs,

We are opposed to an outrageous proposal by Far West Water and Sewer Company to increase our billing for service by "188.05%".

We all expect that services costs need to occasionally increase to keep pace with inflation, but "188.05%" is out of line.

Most of the customers in the Yuma Foothills and other areas of Yuma are winter only residents and therefore do not use the wastewater services while they are gone. Yet if we want to stay connected to the water system to use our drip irrigation for our landscape, we must pay the wastewater fees too.

A few years ago Far West Water and Sewer Company sought a huge percentage increase, fortunately that request did not pass.

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

We trust that sound minds will prevail again.

Walt & Phyllis Patroske

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Yuma, AZ 85367

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Comments entered for the record and filed with Docket Control.

End of Comments

Date Completed: 1/9/2013

Opinion No. 2013 - 107736

WS-03478A-12-0307

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Deb Reagan

Phone:

Fax: (

Priority: Respond Within Five Days

Opinion No. 2013 - 107731

Date: 1/9/2013

Complaint Description: 08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

Complaint By: **PETITION**

PETITION

Account Name: PETITION PETITION

Home: (

Street: N/A

Work:

City: Yuma

CBR:

State: AZ Zip: 85367

is:

Utility Company. **Far West Water & Sewer, Inc.**

Division: Water

Contact Name: Roxanne Fiddes

Contact Phone: (

Nature of Complaint:

*****PETITION*****Letters sent in by 6 consumers all OPPOSED*****

BASED ON THE FOLLOWING INFORMATION, we the customers of Far West Water and Sewer Co., would like to ask the Arizona Corporation Commission to NOT APPROVE the application submitted by Far West Water and Sewer Company, Docket No. WS-03478A-12-0307-

A. Far West provides water and sewer services to the Foothills area east of Yuma. There are approximately 8000 residential and commercial customers in this unincorporated area of Yuma County who would receive a rate increase of 188.05%. Once approved this new rate will be the permanent rate and will continue until Far West decided to raise the rates again.

B. Far. West Water and Sewer Co., and H & S Developers have been fined and are required to pay penalties for numerous repeated alleged water and air quality violations dating back as far as 1989, 50 counts filed September 9, 2008 and additional corrections and judgements in 2010 that could amount to judgements of millions of dollars. H & S Developers is also named because it provided the services until forming Far West as a separate company in 1998 when it transferred drinking water and wastewater facilities ownership to the new company.

C. In 2006 Far West Water and Sewer finally came into compliance with ADEQ. The company has now expanded its lagoon by 300%. We speculate that this effort was only put forth to compensate for the recent subdivision that H & S Development Co. started at this time.

D. Winter residents currently flock to Yuma because of the weather and because it is economically feasible to maintain a second home here. Winter residents increase Yuma's population each year by more than 80,000 people with the majority living in the Foothills. This population will be especially affected by this increase

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because, since 2003, they pay for 6 months of sewer fees despite being unable to flush their toilets because they have returned to their primary residences.

E. Of the "full time" Foothills residents there is a large percentage of Retirees living on a fixed income. Many more are the working class. If the proposed increase passes it would only succeed in further devastating the local economy. There are many folks who live paycheck to paycheck as it is. A fee increase as proposed could potentially force many people to sell or foreclose. With the housing market as it is today, this will only add to the declining economy.

IN CONCLUSION:

* We don't feel that the current customers should incur the costs necessary to cover a new wastewater plant needed to serve future growth. At most this cost should be absorbed by impact fees on the new lots being developed. We believe they have not suggested this because it would reduce the parent company's building profits, in part due to the recession limiting the builder's inability to charge more than the market will bear.

* We further feel that this increase is also being requested as a direct result of negligence on the part of Far West Water & Sewer. It appears as if they're poor planning failed to prevent numerous ADEQ violations. We the customers of Far West Water and Sewer do not feel that this is a cost that should be transferred to current customers.

* We feel that Far West Water and Sewer Co., should have maintained the current facilities as repeated violations have been submitted since 1990 from ADEQ as well as the September 9, 2008, 49 page complaint in Maricopa County Superior Court in which 50 counts were filed against these companies, and again in 2010 when additional fines were filed for wastewater violations and negligence. In 2006 the plant finally came into compliance with ADEQ receiving permission to allow more hookups. Maintaining is what the company should have focused on, but instead they only increased their lagoon by 300%.

THEREFORE, we feel that this enormous increase is not justified. We the current owners feel that the extra charges requested are to aid H & S Developers and Far West Water and Sewer in paying settlements incurred due to lawsuits and penalties owed to ADEQ for lack of safety and loss of life. We also feel it is possible that Far West is trying to offset the costs incurred by H & S Development Co.'s newer developments. Their lack of sales and poor investments are not our responsibility. Far West Water and Sewer and H & S Developers for years should have been investing their revenues in maintaining the system they have in place. If that had been the case, they would not be requesting this large increase.

Other cities in Arizona* have been investigated and it has been found that they have seen rate increases of 5 - 9.5%. A small percentage is acceptable and necessary, but 188% IS NOT. We the customers cannot afford this increase. We hope you will consider our concerns and VOTE NAY on this application Thank you.

Dated this 27th day of December, 2012

*Average Sewer Rates around Arizona"

Tuscon: \$40.89/month- however if you are gone for 1 month or more only monthly service fee of \$11.86 is charged.

Phoenix: \$34.25/ month

- 1 - Paul D. O'Feery
- 2 - David B. Tacy
- 3 - Nadine Mayhew
- 4 - Jack Ivy
- 5 - Darryl and Rita Dupuis

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6 - Dean F. Giles
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Comments entered for the record and filed with Docket Control.
End of Comments

Date Completed: 1/9/2013

Opinion No. 2013 - 107731
